

Message Text

PAGE 01 STATE 066881
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SUBJECT: OPENING STATEMENT IN FRASER SUBCOMMITTEE
HEARINGS, MARCH 15, 1978

1. FOLLOWING IS VERBATIM TEXT OF OPENING STATEMENT BY
REP. DONALD M. FRASER, CHAIRMAN, SUBCOMMITTEE ON INTER-
NATIONAL ORGANIZATIONS, HOUSE COMMITTEE ON INTERNATIONAL
RELATIONS, AT THE MARCH 15 PUBLIC HEARINGS ON THE
SUBCOMMITTEE'S INVESTIGATION OF KOREAN-AMERICAN RELATIONS:

BEGIN TEXT:

THE SUBCOMMITTEE ON INTERNATIONAL ORGANIZATIONS IS HOLDING
HEARINGS THIS WEEK AND NEXT WEEK FOR THE INVESTIGATION OF
KOREAN-AMERICAN RELATIONS. THE INVESTIGATION IS BEING
CONDUCTED UNDER AUTHORITY GRANTED THE SUBCOMMITTEE BY
THE COMMITTEE ON INTERNATIONAL RELATIONS AND THE HOUSE
OF REPRESENTATIVES TO "CONDUCT A FULL AND COMPLETE IN-
UNCLASSIFIED

PAGE 02 STATE 066881

VESTIGATION AND STUDY OF . . . ALL ASPECTS OF THE POLITICAL,
MILITARY, INTELLIGENCE, ECONOMIC, EDUCATIONAL AND INFORMA-
TIONAL RELATIONSHIPS BETWEEN THE REPUBLIC OF KOREA. . . AND
THE UNITED STATES."

IN CARRYING OUT ITS MANDATE, THIS SUBCOMMITTEE HAS BEEN
EXAMINING NUMEROUS ALLEGATIONS OF WRONGDOING IN THE
CONDUCT OF RELATIONS BETWEEN THE REPUBLIC OF KOREA AND THE
UNITED STATES. WE RECEIVED THE FIRST SUCH ALLEGATIONS IN
JUNE, 1975, WHEN A FORMER SENIOR KOREAN DIPLOMAT, LEE

JAI HYON, INFORMED THE SUBCOMMITTEE THAT IN 1973 THE KCIA HAD BRIEFED OFFICERS OF THE KOREAN EMBASSY ON A PLAN TO MUTE CRITICISM OF PRESIDENT PARK'S RULE AND TO "BUY OFF ITS SUPPORTERS IN THE UNITED STATES" BY USING TECHNIQUES OF "SEDUCTION, PAYOFF AND INTIMIDATION." DR. LEE'S ALLEGATIONS HAVE STOOD THE TESTS OF TIME AND INTENSIVE INQUIRY. OVER THE PAST THREE YEARS, THE SUBCOMMITTEE HAS FOUND VOLUMINOUS EVIDENCE SUBSTANTIATING THE NINE POINTS DR. LEE LISTED AS ELEMENTS OF THE KCIA PLAN. DURING OUR MOST RECENT PUBLIC HEARINGS FOR THE INVESTIGATION, IN NOVEMBER, 1977, THE SUBCOMMITTEE MADE PUBLIC THE KCIA'S SECRET WRITTEN PLAN FOR CLANDESTINE OPERATIONS IN THE UNITED STATES IN 1976. THE 1976 PLAN REVEALS KCIA INTENTIONS TO INFLUENCE AMERICAN POLICY AND OPINION BY TARGETING THE CONGRESS, THE EXECUTIVE BRANCH, THE NEWS MEDIA, ACADEMIC AND RELIGIOUS CIRCLES, AND KOREAN RESIDENTS IN THIS COUNTRY. ALTHOUGH INFLUENCING CONGRESS UNDOUBTEDLY WAS A VERY IMPORTANT OBJECTIVE OF THE SOUTH KOREAN GOVERNMENT, THE 1976 PLAN SHOWS CLEARLY THAT LOBBYING AND INFLUENCE-BUYING SOUGHT TO PENETRATE MANY SECTORS OF ACTIVITY IN THE UNITED STATES, BOTH GOVERNMENTAL AND PRIVATE. OBVIOUSLY, WHAT HAS BECOME KNOWN AS "KOREAGATE" CONSISTS OF A GREAT DEAL MORE THAN UNCLASSIFIED

PAGE 03 STATE 066881

AN EAGER KOREAN BUSINESSMAN EXTENDING FAVORS TO MEMBERS OF CONGRESS; THE ISSUE EXTENDS WELL BEYOND THE BLANKET TERM USED BY THE SOUTH KOREAN PRESS -- "THE SO-CALLED TONGSUN PARK LOBBYING CASE." INDEED, WE NOW KNOW THERE WERE SEVERAL DISTINCT COVERT LOBBYING OPERATIONS, SOMETIMES COMPETING WITH EACH OTHER.

BEGINNING WITH THESE HEARINGS, THIS SUBCOMMITTEE WILL ATTEMPT TO PLACE "KOREAGATE" IN PERSPECTIVE. IN THESE HEARINGS WE WILL TAKE A COMPREHENSIVE LOOK AT THE RELATIONS BETWEEN THE REPUBLIC OF KOREA AND THE UNITED STATES FROM THE LATE 1960'S UNTIL THE END OF 1972. IN THE COMING MONTHS WE WILL CONTINUE THIS CHRONOLOGICAL REVIEW FOR THE PERIOD FROM 1973 TO THE PRESENT. BY PLACING WHAT WE KNOW TODAY ABOUT KOREAN ACTIVITIES IN THIS COUNTRY IN THE BROADER CONTEXT OF KOREAN-AMERICAN RELATIONS, WE HOPE TO PROVIDE ANSWERS TO SOME IMPORTANT QUESTIONS:

(1.) WHY DID THE SOUTH KOREAN GOVERNMENT FEEL COMPELLED TO RESORT TO EXTRAORDINARY MEASURES TO INFLUENCE AMERICAN POLICY AND OPINION?

WE WILL SHOW THAT IN THE LATE SIXTIES KOREAN LEADERS BEGAN TO FEEL UNCERTAIN ABOUT THE FIRMNESS OF AMERICA'S RESOLVE TO ENSURE ADEQUATE MILITARY DEFENSE FOR SOUTH KOREA. PRESIDENT NIXON'S 1970 DECISION TO REDUCE BY

20,000 THE NUMBER OF U.S. TROOPS IN KOREA CAUSED GREAT ALARM IN SEOUL. APPREHENSIONS INCREASED WHEN THE KOREANS DISCOVERED THAT U.S. TROOP STRENGTH HAD DROPPED BY 10,000 WHILE THE KOREANS WERE UNDER THE IMPRESSION THAT THEY WERE STILL NEGOTIATING WITH THE UNITED STATES OVER THE TERMS OF TROOP REDUCTION. THEIR DILEMMA WAS COMPOUNDED BY THE FACT THAT TROOPS WERE BEING PULLED OUT BEFORE CONGRESS HAD APPROVED PRESIDENT NIXON'S REQUEST FOR A LARGE AMOUNT OF MILITARY ASSISTANCE TO COMPENSATE

UNCLASSIFIED

PAGE 04 STATE 066881

FOR THE REDUCTION OF U.S. TROOPS. FURTHERMORE, THE PRESIDENT WAS UNABLE TO MAKE A FLAT GUARANTEE THAT CONGRESS WOULD AUTHORIZE THE ADDITIONAL AID.

(2.) WHAT DID THE SOUTH KOREANS HOPE TO ACCOMPLISH THROUGH EXTRAORDINARY MEASURES FOR INFLUENCING THE UNITED STATES?

INITIALLY, THE PRIMARY OBJECTIVE OF COVERT LOBBYING AND INFLUENCE-BUYING WAS TO ENSURE CONGRESSIONAL APPROVAL OF THE \$1.5 BILLION MILITARY AID PACKAGE OVER A PERIOD OF FIVE YEARS. CONGRESS WAS TO BE LOBBIED DIRECTLY -- THROUGH CONTACTS WITH MEMBERS -- AND INDIRECTLY THROUGH PERSONS FRIENDLY TO SEOUL'S POSITION IN FIELDS SUCH AS THE NEWS MEDIA, BUSINESS, ACADEMIA, AND RELIGION. FROM THE END OF 1972 ONWARD, THE SOUTH KOREAN GOVERNMENT HAD AN ADDITIONAL IMPORTANT OBJECTIVE -- TO ENHANCE THE IMAGE OF THE PARK REGIME BY CONVINCING AMERICANS THAT PARK'S NEW AUTHORITARIAN CONSTITUTION WAS JUSTIFIED FOR REASONS OF NATIONAL SECURITY AND ECONOMIC DEVELOPMENT.

(3.) HOW DID THE SOUTH KOREAN GOVERNMENT FORMULATE ITS PLAN FOR LOBBYING AND INFLUENCE-BUYING IN THE UNITED STATES?

DRAWING FROM U.S. INTELLIGENCE REPORTS, WE WILL SHOW THAT IN THE FALL OF 1970, SECRET STRATEGY MEETINGS WERE HELD IN THE BLUE HOUSE (SOUTH KOREA'S PRESIDENTIAL MANSION) FOR THE PURPOSE OF MAKING PLANS FOR EXPANDING AND CENTRALIZING COVERT LOBBYING OPERATIONS IN THE UNITED STATES. THE HIGHEST OFFICIALS OF THE GOVERNMENT ATTENDED, INCLUDING PRESIDENT PARK ON AT LEAST ONE OCCASION.

UNCLASSIFIED

PAGE 05 STATE 066881

(4.) HOW WERE THE OPERATIONS FOR COVERT LOBBYING AND INFLUENCE-BUYING TO BE CARRIED OUT?

ACCORDING TO U.S. INTELLIGENCE REPORTS, A PLAN WAS

PRESENTED AT THE FIRST BLUE HOUSE MEETING WHICH WOULD HAVE PLACED TONGSUN PARK IN CHARGE OF ALL LOBBYING OPERATIONS IN THE UNITED STATES, INCLUDING THOSE OF THE KCIA. PRESIDENT PARK AND HIS ADVISERS REJECTED THIS PLAN BECAUSE OF OBJECTIONS FROM A RIVAL FACTION ALSO ENGAGED IN LOBBYING IN THE UNITED STATES. WITH A VIEW TOWARD CENTRALIZING THE CONTROL OF LOBBYING UNDER PRESIDENT PARK, A SPECIAL FOREIGN POLICY REVIEW BOARD WAS ESTABLISHED TO SUPERVISE AND COORDINATE SEVERAL SEPARATE OPERATIONS. PERSONS AND ORGANIZATIONS MENTIONED AT THE BLUE HOUSE MEETINGS WHO WERE TO BE RESPONSIBLE FOR CARRYING OUT THE PLANS INCLUDED TONGSUN PARK, PRIME MINISTER CHUNG IL KWON, THE KCIA AND ITS DIRECTOR LEE HU RAK, PRESIDENTIAL AIDE PARK CHONG KYU, THE KOREAN CULTURAL AND FREEDOM FOUNDATION AND ITS HEAD PAK BO HI, AND GENERAL KANG YOUNG HOON. PAK BO HI IS A PRINCIPAL AIDE AND INTERPRETER FOR THE REVEREND SUN MYUNG MOON. GENERAL KANG YOUNG HOON WAS DIRECTOR OF THE RESEARCH INSTITUTE ON KOREAN AFFAIRS, A KCIA FRONT ORGANIZATION IN SILVER SPRING, MARYLAND.

(5.) HOW MUCH DID OFFICIALS OF THE U.S. GOVERNMENT KNOW ABOUT THE EARLY LOBBYING PLANS AND ACTIVITIES?

WE WILL SHOW THAT BY 1971, AMERICAN REPRESENTATIVES IN SEOUL WERE SENDING DETAILED REPORTS TO WASHINGTON ABOUT LOBBYING PLANS AND ACTIVITIES. THE REPORTS, GIVING THE NAMES OF PERSONS INVOLVED AND DESCRIBING WHAT THEY WERE DOING, WERE DISTRIBUTED TO EXECUTIVE BRANCH OFFICIALS UP TO AND INCLUDING THE CABINET LEVEL.

UNCLASSIFIED

PAGE 06 STATE 066881

(6.) HOW DID THE U.S. GOVERNMENT RESPOND TO EARLY REPORTS OF LOBBYING PLANS AND ACTIVITIES?

THE EXECUTIVE BRANCH FAILED TO TAKE ADEQUATE MEASURES TO HALT OR PREVENT QUESTIONABLE KOREAN ACTIVITIES IN THIS COUNTRY. INITIATIVES FOR ACTION PURSUANT TO THE INTELLIGENCE REPORTS WERE SPORADIC, HALF-HEARTED, AND INCONCLUSIVE, WITH THE RESULT THAT KOREAN ACTIVITIES WHICH WERE BOTH IMPROPER AND ILLEGAL CONTINUED TO EXPAND AND GAIN MOMENTUM FOR SOME FIVE YEARS. THE EXACT REASONS FOR INACTION ARE UNCLEAR, BUT THE OVERRIDING PRIORITIES FOR UNITED STATES POLICY TOWARD SOUTH KOREA SEEM TO HAVE BEEN: TO KEEP KOREAN TROOPS ENGAGED IN THE WAR IN

VIETNAM; TO ACCOMPLISH TROOP REDUCTIONS IN SOUTH KOREA WITH MINIMUM ADVERSE CONSEQUENCE FOR KOREAN-AMERICAN RELATIONS; AND TO MAINTAIN CREDIBILITY FOR THE U.S. POSITION IN KOREA AS AN UNYIELDING COMMITMENT TO RESIST THE THREAT OF COMMUNIST AGGRESSION.

IT IS NOTEWORTHY THAT TWO AGENCIES OF THE EXECUTIVE BRANCH DID ATTEMPT TO DO SOMETHING ABOUT SUSPICIOUS KOREAN ACTIVITIES ON MORE THAN ONE OCCASION -- THE STATE DEPARTMENT AND THE DEPARTMENT OF AGRICULTURE. IN 1971, STATE DEPARTMENT OFFICIALS, DESIRING TO LIMIT TONGSUN PARK'S ACTIVITIES, EXPLORED THE POSSIBILITY OF PERSUADING THE KOREAN GOVERNMENT TO RECALL HIM TO KOREA. IN 1972, AMBASSADOR HABIB SOUGHT TO HAVE TONGSUN PARK REGISTER UNDER THE FOREIGN AGENTS REGISTRATION ACT AS AN AGENT OF THE REPUBLIC OF KOREA. AND IN 1971, STATE REQUESTED AN INVESTIGATION OF RADIO OF FREE ASIA, A PROJECT OF THE KOREAN CULTURAL AND FREEDOM FOUNDATION HEADED BY PAK BO HI, TO DETERMINE IF RADIO OF FREE ASIA SHOULD BE REGISTERED AS UNCLASSIFIED

PAGE 07 STATE 066881

AN AGENT OF THE REPUBLIC OF KOREA. THE DEPARTMENT OF AGRICULTURE -- IN 1968-1969 AND 1972 -- INVESTIGATED TONGSUN PARK TO DETERMINE IF HE HAD TIES TO THE KOREAN GOVERNMENT WHICH WOULD HAVE MADE HIM INELIGIBLE TO SERVE AS SELLING AGENT FOR FOOD FOR PEACE RICE SALES TO SOUTH KOREA AND INELIGIBLE FOR THE MILLIONS OF DOLLARS IN COMMISSIONS HE RECEIVED. THE SUBCOMMITTEE HAS BEEN TOLD THAT IN EACH OF THESE CASES, COOPERATION FROM LAW ENFORCEMENT AND INTELLIGENCE AGENCIES WAS INSUFFICIENT.

THE FINDINGS OF THIS INVESTIGATION ARE BASED ON HUNDREDS OF INTERVIEWS AND THOUSANDS OF DOCUMENTS. WE HAVE STUDIED A LARGE QUANTITY OF DOCUMENTS PROVIDED BY AGENCIES OF THE EXECUTIVE BRANCH, MANY OF THEM CLASSIFIED. WE HAVE OBTAINED A CONSIDERABLE NUMBER OF DOCUMENTS FROM PRIVATE CITIZENS AND ORGANIZATIONS, BY SUBPOENA IN SOME CASES. IN THESE HEARINGS, WE WILL RELEASE SUMMARIZED INFORMATION FROM U.S. FOREIGN AND DOMESTIC INTELLIGENCE REPORTS WHICH HAS BEEN AUTHORIZED FOR PUBLIC DISCLOSURE BY EXECUTIVE BRANCH AGENCIES. SEVERAL HUNDRED PAGES OF DOCUMENTS RELATING TO THESE HEARINGS HAVE BEEN PUBLISHED BY THE COMMITTEE ON INTERNATIONAL RELATIONS FOR RELEASE TO THE PUBLIC TODAY.

TODAY'S FIRST WITNESS IS A NOTED AMERICAN SCHOLAR ON KOREA. HE HAS BEEN INVITED TO GIVE THE HISTORICAL SETTING FOR THE PERIOD UNDER REVIEW AND TO INTRODUCE THE ISSUES AFFECTING KOREAN-AMERICAN RELATIONS BEFORE AND DURING THE

PERIOD 1968-1972. OTHER WITNESSES AT THESE HEARINGS WILL BE FORMER AND CURRENT OFFICIALS OF THE EXECUTIVE BRANCH WHO WILL BE ASKED ABOUT U.S. FOREIGN POLICY CONCERNS, KOREAN REACTIONS, AND HOW THE EXECUTIVE BRANCH DEALT WITH ITS KNOWLEDGE OF QUESTIONABLE KOREAN ACTIVITIES IN THE UNITED STATES.

UNCLASSIFIED

PAGE 08 STATE 066881

INASMUCH AS THESE HEARINGS WILL EXAMINE ISSUES OF CONCERN TO THE GOVERNMENTS OF BOTH THE REPUBLIC OF KOREA AND THE UNITED STATES FROM 1968 TO 1972, I WROTE A LETTER TO THE KOREAN AMBASSADOR ON JANUARY 11TH. THE LETTER SAID, IN PART, "...WE WOULD LIKE TO OFFER AN OPPORTUNITY FOR THE GOVERNMENT OF THE REPUBLIC OF KOREA TO CONTRIBUTE TO THESE HEARINGS EITHER BY SUBMITTING A WRITTEN STATEMENT TO THE SUBCOMMITTEE, AS WAS SUBMITTED BY THE EMBASSY TO THIS SUBCOMMITTEE AND THE SUBCOMMITTEE ON ASIAN AND PACIFIC AFFAIRS ON JULY 30, 1974; OR BY SUGGESTING A SUITABLE WITNESS TO TESTIFY WHO WOULD BE FAMILIAR WITH CONCERNS AND INTERESTS OF YOUR GOVERNMENT DURING THE PERIOD 1968-1972." AMBASSADOR KIM YONG SHIK'S REPLY, DATED FEBRUARY 24, STATED, IN PART, "...I WISH TO INFORM YOU THAT MY GOVERNMENT HAS NO PLAN TO SUBMIT A WRITTEN STATEMENT OR SUGGEST A WITNESS FOR THE HEARINGS AT THIS TIME. HOWEVER, WE WOULD NOT CONSIDER IT INAPPROPRIATE TO EXPRESS OUR VIEWS IN THESE MATTERS SHOULD IT BE NECESSARY IN THE FUTURE." END TEXT. VANCE

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